

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0591-01N  
Bill No.: SB 35  
Subject: Nurses; Health Care; Health Care Professionals; Medical Procedures and  
Personnel; Insurance - Medical; Licenses - Professional  
Type: Original  
Date: January 16, 2001

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General*	\$0	(Unknown)	(Unknown)
Insurance Dedicated	\$10,000	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$10,000</b>	<b>(UNKNOWN)</b>	<b>(UNKNOWN)</b>

\*Expected to exceed \$100,000 annually.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Federal*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Revenues and expenditures are expected to exceed \$100,000 annually and net to \$0.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

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## **FISCAL ANALYSIS**

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### **ASSUMPTION**

Officials from the **Department of Conservation**, the **Department of Transportation**, and the **Department of Economic Development - Division of Professional Registration** assume this proposal would not fiscally impact their agencies.

**Missouri Consolidated Health Care Plan (HCP)** officials state initially this proposal would not impact HCP. HCP states that this proposal may shift costs within the plans as they contract with the registered nurse first assistant. The plans may have some new costs associated with credentialing the new provider group and establishing them in their payment roles but there may be future savings in using a lower cost provider in certain situations.

Officials from the **Department of Insurance (INS)** state that health insurers and HMOs would be required to amend policy forms in order to comply with this proposal. INS anticipates that current appropriations and staff would be able to absorb the work for implementation of this single proposal. However, if additional proposals are approved during the legislative session, INS would need to request additional staff to handle the increase in workload. INS estimates 171 health insurers and 29 HMOs would be required to file amendments to their policy form to comply with this proposal resulting in revenue of \$10,000. If multiple proposals pass during the legislative session which require policy form amendments to be filed, the insurers would probably file one amendment for all required mandates. This would result in increased revenue of \$10,000 for all.

**Department of Social Services (DOS)** officials assume the registered nurse first assistant is an RN trained to assist in surgery. DOS also assumes that no new services would be covered by the Medicaid program because of this proposal. However, an increase in costs is anticipated from an increase in providers participating in the Medicaid program. Registered nurse first assistants are not currently enrolled as separate provider groups. Their services are covered and reimbursed to hospitals and ambulatory surgical centers as part of their costs. DOS assumes that the registered nurse first assistants would enroll and participate in the Medicaid program as a separate provider. DOS states the fiscal impact is unknown; however, the cost is expected to be greater than \$100,000. DOS also assumes that the Division of Medical Services would first incur costs in FY03 (effective date January 1, 2002). DOS states time would be needed to establish criteria for enrollment in the Medicaid program.

Officials from the **Department of Public Safety - Missouri State Highway Patrol (MHP)** did not respond to our fiscal impact request. However, in response to a similar proposal last session MHP stated there would be no fiscal impact to their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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**GENERAL REVENUE FUND**

<u>Cost - Department of Social Services</u>			
Medical assistance payments*	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>(UNKNOWN)</u></b>	<b><u>(UNKNOWN)</u></b>
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\*Expected to exceed \$100,000 annually.

**INSURANCE DEDICATED FUND**

<u>Income - Department of Insurance</u>			
Policy filings	<u>\$10,000</u>	<u>\$0</u>	<u>\$0</u>

<b>ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND</b>	<b><u>\$10,000</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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**FEDERAL FUNDS**

<u>Income - Department of Social Services</u>			
Medicaid reimbursements	\$0	Unknown	Unknown

<u>Cost - Department of Social Services</u>	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT OF FEDERAL FUNDS*</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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**\*Revenues and expenditures are expected to exceed \$100,000 annually and net to \$0.**

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses (medical practices) would be expected to be fiscally impacted to the extent they would incur increased revenues as a result of this proposal. In addition, small businesses with health plans would be expected to be fiscally impacted to the extent that they may incur changes in insurance premium rates.

DESCRIPTION

This proposal would require specific health plans to cover all services provided or ordered by registered nurse first assistants. A "registered nurse first assistant" (RNFA) would be defined as a registered nurse, licensed in Missouri, who has received additional certification through a nationally-recognized professional organization to become a RNFA or who meets the criteria for RNFAs established by the Missouri State Board of Nursing. If so certified, then all services provided by RNFAs would be covered by the specified health plans, including Medicaid.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development  
Division of Professional Registration  
Department of Transportation  
Department of Social Services  
Missouri Consolidated Health Care Plan  
Department of Insurance  
Department of Conservation

**NOT RESPONDING: Department of Public Safety - Missouri State Highway Patrol**



Jeanne Jarrett, CPA  
Director

January 16, 2001